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'McNamarize' Yourself, LBJ Tells Departments

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FROM CHICAGO DAILY NEWS

WASHINGTON. Defense Secretary Robert S. McNamara's managerial revolution has burst out of the Pentagon and into other parts of the government.

Twenty-one non-defense departments and agencies are under presidential orders to adopt fundamental McNamara-style innovations by May 1.

Another 17 agencies, including the Tennessee Valley Authority and the Smithsonian Institution are being "encouraged" by the White House to McNamarize operations.

The result may be the most thorough shakeup in federal bureaucracy since the New Deal. Resistance is expected to be intense, especially in the old-line agencies which have been doing business in traditional grooves for generations.

Hopefully the changes will save money and provide more effective government service.

WHAT McNAMARA did at the Pentagon four years ago — and what is being tried throughout the executive branch — is to focus officials' attention on ends instead of on means.

In the Defense Department, that meant the downgrading of the Army, Navy and Air Force. Instead of doling out money and weapons to the separate services, McNamara's "whiz kids" first drew up a list of nine major "missions" — or objectives of the defense establishment.

One mission, for example, was put down as "strategic retaliation." To it were assigned the Navy's Polaris submarines, the Air Force's B-52 bombers and the vast array of nuclear-armed intercontinental ballistic missiles.



McNAMARA
Sets Example

Another mission, "Continental aid and missile defense," was assigned to parts of the Army and the Air Force.

Only after each mission was clearly identified did the Pentagon planners decide how many men, planes, ships and missiles were needed to carry it out.

McNAMARA'S management technique now goes by the name of "program budgeting," and a 236-page book on the subject, prepared by the Rand Corp., an Air Force think factory, is currently one of the hottest selling items at the government printing office.

Three weeks ago the President's budget director, Charles L. Schultze, sent a directive to all department heads instructing them to draw up program budgets for their operations.

Some sample nondefense "missions" suggested by Schultze: Natural beauty, support of libraries, recreation, foreign language training.

This month the departments are organizing staffs to carry out the program and trying to decide what their goals really are.

Within the big departments, subordinate agencies and bureaus are also planning their own missions.

IN THE AGRICULTURE Department, the Forest Service has tentatively listed its objectives as "timber production, outdoor recreation, natural beauty, wildlife, water, and forage."

In the Treasury Department, the Coast Guard has assigned itself these missions: "Search and rescue, navigation aids, law enforcement, military readiness, merchant marine safety, and oceanography."

The Central Intelligence Agency is also covered by the order but isn't talking about its missions.

Some missions will cut across traditional agency lines.

Federal education programs, for instance, are now carried out by 42 different departments, offices and bureaus. Twenty agencies carry on health programs.

A SUGGESTED program budget for transportation being circulated in the government includes these five missions, now scattered among 30 different agencies:

- Moving freight and passengers between major cities.
- Providing access to rural areas and small towns.
- Relieving urban traffic jams and speeding commuters.
- Assuring standby emergency transportation facilities.

• Handling foreign trade. Once the government's many missions are identified, officials are under orders to prepare a detailed "program memorandum" for each one. The papers are due by May 1.

These memoranda will

spell out what the agency is trying to accomplish, what methods it proposes to use, and what it will cost over a five-year time-span.

The cost and effectiveness of using alternate programs — or no program at all — must also be included in the memoranda.

Civilian parallels to McNamara's famed military "cost-effectiveness" studies will be ordered as fast as 2,200 federal computers can churn them out.

THEORETICALLY, all this information will give the President and his top aides far better tools with which to manage a \$100 billion government.

Whether it will save money is questionable. In the long run, it should provide greater governmental efficiency. But in the beginning, skeptics foresee innumerable problems, bitter bureaucratic and congressional resistance, and mountains of costly paperwork.

"It's just a fad," said one budget officer who has spent 30 years in federal service. "In three or four years they'll forget all about it."

But officials at the budget bureau, where work on the program budget is concentrated, are enthusiastic.

CARL TILLER, scholarly chief of the budget methods section, says it is the most significant change in federal management methods since he joined the government during the New Deal.

Tiller recalls how President Roosevelt used to spread big sheets of budget figures out on his desk, check each item and write "OK-FDR" at the bottom.

Harry Truman prided himself on his detailed knowledge of his budgets. President Eisenhower wanted the information compressed and summarized for him. John Kennedy, a lightning reader, demanded a great deal of detail.

Now under President Johnson, the McNamara managerial revolution has come to flower.